



PSC NEWS

Missouri Public Service Commission

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FY-06-219

FOR IMMEDIATE RELEASE

MAY 22, 2006

PSC MOVES TO PERMANENTLY REDUCE RECONNECTION FEES FOR SOME NATURAL GAS CUSTOMERS

Commission seeks public comment; hearing set for July 19

JEFFERSON CITY—The Missouri Public Service Commission, by a 4-1 vote, is proposing permanent changes to its Cold Weather Rule to assist Missouri consumers faced with high heating bills. These proposed changes will incorporate many of the changes made to the rule on an emergency basis six months ago. The Cold Weather Rule establishes requirements for providing utility service during the heating season. By law, the Secretary of State will now publish the proposed changes in the Missouri Register for public comment.

“High natural gas prices last year led the Commission to consider and ultimately approve an emergency amendment to our Cold Weather Rule to help assist those having difficulty paying their heating bills,” said PSC Chairman Jeff Davis. “The last two years we’ve seen increases in the number of people who, for the first time, sought assistance in paying those bills. Winter is less than six months away and the Commission is acting to make sure we have a permanent rule in place to help consumers afford to get reconnected,” Davis said.

Proposed rules sent for publication include:

- More lenient payment terms would be available permitting reconnection of service for those natural gas customers who defaulted on a previous Cold Weather Rule payment agreement. A customer can have service restored by making an initial payment of 50% of his/her outstanding balance with the deferred balance to be paid in a Cold Weather Rule payment agreement plan. Under the current rule, a utility company could require up to 80% of the outstanding balance;
- Late payment and interest charges to be waived if a customer complies with his/her Cold Weather Rule payment plan;
- Immediate enrollment in a budget billing plan for any customer, including those who may have arrears;
- Any customer entering into a Cold Weather Rule payment plan who complies with the terms of the plan, will be treated, on a forward going basis, as a customer who had never defaulted on a Cold Weather Rule payment plan;
- Any customer calling the natural gas company and indicating that he/she is having difficulty paying his/her bill, will be informed of all of his/her options; and
- Natural gas companies would be allowed to collect expenses associated with the rule.

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The public comment period for the proposed changes to the Cold Weather Rule will begin when the proposed rulemaking appears in the Missouri Register. The Commission will hold a public hearing on **July 19, 2006**, to receive comments on the proposed changes to the rule. The public hearing will begin at 10:00 a.m. in Room 305 of the Governor Office Building, 200 Madison Street, Jefferson City.

The Cold Weather Rule is designed to help customers with heat-related bills from November 1 through March 31 of each year. It has been a part of the Commission's rules and regulations since 1977.

The current Cold Weather Rule:

- Prohibits the disconnection of heat-related service when the temperature is predicted to drop below 32 degrees during the following 24 hour period;
- Prohibits the disconnection of service for registered elderly and disabled customers who meet certain income guidelines and who make a minimum payment;
- Prohibits the assessment of a new deposit or bill deposits that were previously assessed for customers who enter into a Cold Weather Rule payment agreement and the payment agreement is kept; and
- Ensures that customers are given adequate notification of a proposed discontinuance of service.